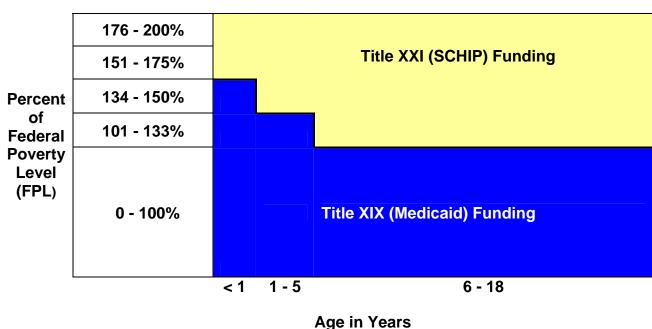
KHPA, UniCare and the Optometrists Association are working together to address issues raised by Optometrists since the transition to the new MCOs contract on January 1, 2007.

One issue raised was how a family can have children in Title 19 and Title 21. Eligibility in the State of Kansas is based on family income and the age of the child. It is called "stair step" eligibility. See the chart below:

HealthWave Income Eligibility



Federal Poverty Level (FPL) for a Household of Three (3)

Percent of Federal Poverty Level (FPL)	Income Thresholds
200%	\$33,200
175%	\$29,050
150%	\$24,900
133%	\$22,078
100%	\$16,600

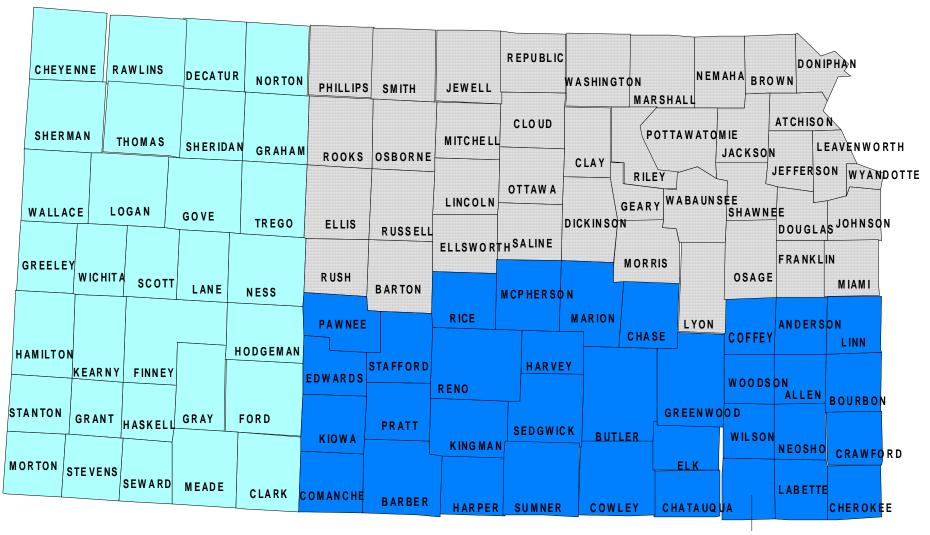
Viewing the chart above imagine a family at 150% of the Federal Poverty Level (FPL). This family has a child who is a newborn and a 5 year-old. Looking at the chart the newborn would be in Title 19 and the 5 year old would be in Title 21.

The eligible populations in Title 19 and Title 21 capitated managed care are poverty level eligibles (PLE), and pregnant women. The populations excluded from capitated managed care are the aged, blind, disabled, foster care, adoption support, Juvenile Justice Authority (JJA), breast and cervical cancer, people on Home and Community Based Services (HCBS) waivers, people who reside in an institution and the medically needy.

Another issue raised was, "Do persons eligible for capitated managed care have a choice of plans?" Yes, persons eligible for capitated managed care have a choice. Persons eligible for capitated managed care have at least 15 days to make a choice. If they do not make a choice they are defaulted to an MCO. Federal law

mandates beneficiaries have a choice. In Regions 1 and 2 beneficiaries have a choice between UniCare and Children's Mercy Family Health Partners but do not have the choice to enroll in HealthConnect Kansas (HCK). In Region 3, there is only one MCO and therefore beneficiaries are given a choice between UniCare and HCK. HealthConnect Kansas is the primary care case manager (PCCM) model of managed care. Under HCK, providers are paid fee for service (FFS) in accordance with the Medicaid fee schedule. This managed care model is administered by EDS, the state's fiscal agent. Other persons eligible for HCK are Supplemental Security Income (SSI), and MediKan.

See the map on the next page.



MONTGOMERY

Region 1 Children's Mercy Family Health Partners & UniCare Health Plan of Kansas, Inc.

Region 2 Children's Mercy Family Health Partners & UniCare Health Plan of Kansas, Inc.

Region 3 UniCare Health Plan of Kansas, Inc.